Volume 2, Issue 3
Quarterly Report

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An Eye On Your Economy

"An Eye on Your Economy" highlights the U.S. Census Bureau's data collection activities, for the Manufacturing, Mining, and Construction sectors of our economy. We hope you find the articles and information useful and look forward to suggestions on ways to increase its value in the future.

Inside this issue:

New and Improved Residential Construction Data Products and Services

by Cheryl T. Cornish

In response to requests from residential construction data users, new and improved data products from the U. S. Census Bureau's Building Permits Survey (BPS) are now available. The new products are annual and monthly ASCII formatted files that show building permits data at the county level. The annual file shows data for approximately 3,000 counties; the most recent file available is for 1999. The monthly file shows data for approximately 700 counties with data available back to January 2000. The monthly file shows data where permit offices are requested to report monthly.

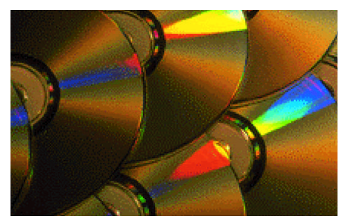
The improvements made to BPS' existing products involve the files of building permits data by permit-issuing place. Three fields were added to these files:

1. Census place code, which will allow the building permits data to be cross-referenced to other census data such as population;
2. Zip code, which will allow data users to aggregate these data, based on their own geographic areas; and
3. Central city, which identifies the "major" cities within a Metropolitan Statistical Area.

Also, the ASCII files are improved by the addition of headers to identify each column in the file, and by changing the survey date from a two-digit year to a four-digit year.

Another improvement was the dissemination of these files via electronic mail. Previously, all ASCII files were only available by mail on diskettes. By using electronic mail, customers can have the data the same day that it is released.

The Census Bureau's Manufacturing and Construction Division (MCD) will continually strive to meet the needs of its customers and plans to make further improvements in its data products. Due to the large increase in the volume of electronic historic data, MCD plans to provide these data on CD-ROM and enhance the availability of its historic data series on the Internet.



New Housing Characteristics: How Do You Compare?

by Rameka Gant

Have you ever wondered how your newly built home compares to other newly built homes in the United States? (For example: the square footage, type of heating fuel, number of bedrooms and garages, or the type of exterior wall material used.) In 1999, for the 1.0 million housing units built, the average square footage was 2,225 square feet; 69 percent used gas as a type of heating fuel, while 27 percent used electricity; 54 percent had 3 bedrooms; and 65 percent had 2-car garages.

Each year, under the sponsorship of the U. S. Department of Housing and Urban Development, the U.S. Census Bureau's Survey of Construction derives a report on the characteristics of new housing. The report, *"Characteristics of New Housing,"* highlights selected physical and financial characteristics of single- and multifamily housing constructed, single-family houses sold, and contractor-built houses started. Also, the report includes a supplement, prepared through the Survey of Market Absorption, on the types and characteristics of apartment units completed in buildings with five units or more. Preliminary 2000 characteristics will be available in February 2001 and the final characteristics are usually available in July. This report will give data users valuable in-depth information into residential construction for survey year 2000.

To view the report in its entirety, please visit our website at http://www.census.gov/const/www/index.html and select New Home Sales/Characteristics of New Housing (C25).

Ever Wonder What Happens to Reported Data?

by John Gates

Have you ever wondered what happens to the information reported to the U. S. Census Bureau's economic surveys? Of course, the survey responses are tabulated for public release; but in addition, various analytic studies are based on the survey responses. Many of these studies provide estimates of economic activity that cannot be collected directly on a survey. The Census Bureau's Manufacturing and Construction Division (MCD) recently reinstated such a study. This study, Exports from Manufacturing Establishments, was sponsored by the International Trade Administration (ITA). The study was reinstated to provide information on the effects of exporting activity on employment in various states and industries.

This study provides 1997 estimates for the North American Industry Classification System (NAICS) subsectors for each state. The last reference year for which there are earlier data is 1991. The 1991 estimates are based on the Standard Industrial Classification System that was replaced by NAICS. The publication reflecting the 1997 estimates will be posted on the Bureau's Internet site in early 2001.

This study is limited to employment supported by exporting of manufactured products. The employment supported by exporting activity is broken into two types. Direct employment refers to employment associated with the production of exported goods. Supporting employment refers to employment associated with producing/providing inputs needed to either: 1) produce inputs needed to produce export inputs, or 2) transport goods from plant to port for export. Producing the estimates of these various types of employment requires model-based estimation rather than the survey-based estimation usually undertaken by MCD. The model used depends on many census and survey inputs.

MCD's survey outputs are used in several ways. First, the economic census for the manufacturing sector and the annual survey of manufacturers (ASM) provide information on export shipments by industry and state. These results are the foundation of the study's estimates of direct export shipments. Second, the economic census and the ASM provide information on total employment and total value of shipments by industry. Ratios of these results are used with the direct export shipment estimates to derive estimates of employment associated with producing exported goods. Third, the economic census is the source of much of the information used to compile the Bureau of Economic Analysis' (BEA) input/output tables of the U.S. economy. BEA uses these tables as the basis of its regional domestic requirement tables. MCD uses the regional tables to calculate shipments in manufacturing industries required to produce exported products, and employment in non-manufacturing industries required to produce the same exported products.

All of these estimates are needed to understand the employment effects of exporting activity in various states and industries. The table below shows the overall employment estimates for the U.S. The publication now being prepared shows these estimates by state, and more detailed manufacturing information.

Employment Associated with Manufactured Exports: 1997

Industry	**Employment** (thousand)
Total all industries	7,676
All manufacturing industries	3,344
Production of manufactured exports	2,028
Support of production	1,316
All supporting non-manufacturing industries	4,332
Business	571
Transportation	653
Trade	1,384
Other	1,725

The Footwear Industry — Where Has It Gone?

By Thomas J. Hook

The U.S. footwear industry has experienced steady declines in production over the past two decades, with dramatic declines over the past two years. This downward trend has continued constantly from 1980 to 1999, other than two brief increases from 1986 to 1987 and 1987 to 1988. Data from the U.S. Census Bureau's 1999 Footwear report, (MA316A) reflect these trends.

Comparing 1999 to 1998 figures, all three major footwear production categories have declined. Nonrubber footwear, including men's dress and casual shoes, is down 30 million pairs or 27 percent. Footwear with rubber or plastic soles and fabric uppers, including men's athletic shoes, is down 9 million pairs or 22 percent. Rubber and plastic footwear, including protective footwear such as boots, is down 3.5 million pairs or 24 percent. This is due mostly to the rapidly increasing import markets. For 1999, the rubber and plastic footwear category was composed of almost entirely imports, which made up 98.6 percent of total consumption within the category. For the whole industry in 1999, 94.3 percent of total consumption came from imports, up nearly 3 percent from 1998. Cheaper production costs from abroad are causing U.S. manufacturers to shift from manufacturing to importing footwear.

Some states still have significant footwear manufacturing. The northeastern states of Maine, Massachusetts, New Hampshire, and Pennsylvania have a combined production of approximately 15.5 million pairs. The only other significant footwear manufacturing state is Texas, the largest with over 34 million pairs manufactured in 1999.

1999, the Semiconductor, Printed Circuit Boards, Other Electronic Components Industry's Recovery

by Philippe Morris

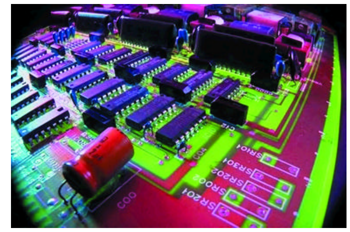
The microelectronics industry, canvassed on the U.S. Census Bureau's Semiconductors, Printed Circuit Boards, Other Electronic Components (MA334Q) survey, encompasses nine U.S. manufacturing industries that are diverse from one another but nonetheless share a commonality; the wide array of products manufactured all have an electronic application. In the mid 1990's, the industry experienced lean years whose roots can be traced to two major causes: excess capacity that depressed prices causing market saturation which further put downward price pressures, and the 1998 Asian financial crisis. By 1999, the winds changed course and, for the most part, those that survived the bleak years are enjoying a recovery year. Of the nine North American Industry Classification System (NAICS) industries included in this survey, seven reported growth of varying degrees in 1999, while two other industries showed a decline.

Benefiting from the increase in domestic and global demand, the value of shipments for following industries recorded growth between 1998 and 1999:

! Printed circuit board mfg (NAICS 334412) and Electronic Connector mfg (NAICS 334417) are the two industries showing decline in shipments as both are still feeling downward price pressures. In the case of the former, whose value of shipments fell 5.9 percent from 1998, this was due to ripple effects from the Asian financial crisis that reduced consumer demand. While in the case of the latter, whose value of shipments fell 6.7 percent from 1998, the price erosion was due to the decrease in computer prices and the flattening of computer demand, and to a lesser extent excess capacity.

In conclusion, 1999 was a bright turning point for the microelectronics industry. These industries benefited from increasing demands caused by fast-growing key markets such as mobile telephones, digital consumer electronics, laptops, hand-held computers and digital TVs. Even in the case of the bare printed circuit board and electronic connector industries, it became apparent there was an easing of price pressure by the end of the year as demand began to outstrip supply. Last but not least, it must be stressed that across all nine industries, consolidation and outsourcing are a trend, not a fad. It is only through cost cutting and investment in research and development that the microelectronic manufacturers will remain efficient, flexible, and competitive.

For further details on this survey, please go to www.census.gov/mcd and select Current Industrial Reports by Number and select "MA334Q".



NAICS	Industry	Percent Increase
334411	Electron tube mfg	4.6
334413	Semiconductor and related device mfg	8.6
334414	Electronic Capacitor mfg	2.4
334415	Electronic Resistor mfg	0.6
334416	Electronic Coil, transformer and other inductor mfg	1.7
334418	Printed circuit assembly mfg	16.6
334419	Other electronic component mfg	10.8

Truck Trailer Manufacturers Posted Record Year in 1999

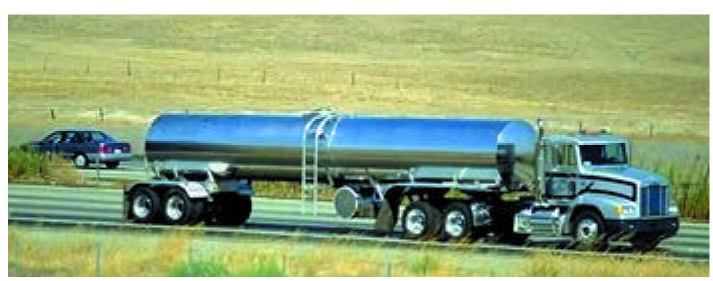
by Chris Savage

The booming economy fueled growth in the truck trailer industry to a record high in 1999. Increased fleet purchases, growth in consumer spending, and fears of higher interest rates all led to record numbers of shipments for the industry. Data from the U.S. Census Bureau's 1999 Truck Trailers Summary (M336L) reflect these increases.

The total number of trailers shipped in 1999 was 300.5 thousands of units, up 3 percent from 1998. This broke the industry's previous record of 279.1 thousands of units in 1995. The majority of this unit growth was in the vans category, which makes up approximately 75 percent of the entire truck trailer market. Vans increased 13 percent to 224.7 thousands of units.

Tank and all other complete trailers also saw record growth in 1999. Shipments of "all other trailers," which includes automobile transports, bulk commodity and dry material (tank and hopper types), pole, logging and pipe type trailers, low bed and heavy haulers and dump trailer/chassis type, increased 3 percent to 43.9 thousands of units. Shipments of tank type trailers increased 7 percent to 6.2 thousands of units.

Where is the truck trailer market heading in the next year? Given this year's record success, shipments are likely to decline in 2000. Following the last record year of shipments in 1995, the industry took a steep dip in 1996. Long term historical data indicates that this industry generally has 5 to 7 year cycles. Shipments for the first 7 months of 2000 also indicate that 2000 will fall below the record shipments of 1999.



It All Starts Here...

Judy Dodds
Assistant Division Chief
Census and Related Programs

The economic censuses are an essential part of the foundation of the U. S. statistical system. They provide the framework upon which not only Census Bureau programs, but other statistical agency programs are built. The censuses provide source data, which are critical to the national income and product accounts, and are the benchmark data for many of our current economic indicators. The Census Bureau's Manufacturing and Construction Division (MCD) plays a key role in developing these important data.

Once every five years, for data years ending in 2 and 7, we survey nearly all of the business units operating in the U.S. Our goal is to measure the U.S. economy. MCD is responsible for preparing the estimates for the manufacturing, mining, and construction sectors. These estimates provide information on such things as employment, payroll, value added, capital expenditures, assets, and other basic information about these important sectors of the economy. Taken together with estimates produced by other Census Bureau divisions, these estimates represent about 97 percent of the Nation's gross domestic product.

In addition to the economic census data, MCD produces the Annual Survey of Manufactures and the Current Industrial Reports, which provide basic economic data about the manufacturing sector in the years between the censuses. While no one argues that the U.S. economy is becoming more of a service economy, a healthy manufacturing sector is vital to the U. S. overall economic stability.

MANUFACTURING, MINING, AND CONSTRUCTION STATISTICS
It All Starts Here!

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WE'RE ON THE WEB!
www.census.gov/mcd

Services Provided

* Subscription service for the Current Industrial Reports (CIRs)

* Custom Data Extractions from Economic Census CD-ROMs

Economic Indicator Reports 1st Qtr. Release Dates

Housing Starts 8:30 a.m.	Building Permits (N/A)	Houses Sold 10:00 a.m.	Housing Completions 10:00 a.m.	M3 (Advance Report) 8:30 a.m.	M3 (Regular Report) 10:00 a.m.	Value of Construction Put in Place 10:00 a.m.
02/16/01	02/27/01	02/27/01	03/02/01	02/27/01	03/06/01	03/01/01
03/16/01	03/26/01	03/26/01	03/28/01	03/27/01	04/03/01	04/02/01
04/17/01	04/25/01	04/25/01	04/27/01	04/25/01	05/02/01	05/01/01

Programs:

- Economic Census – Manufacturing Sector
  – Mining Sector
  – Construction Sector
- Construction Statistics Indicator Programs
- Manufacturers' Shipments, Inventories, and Orders (M3)
- Annual Survey of Manufactures (ASM)
- Current Industrial Reports (CIR)
- Special Study Surveys – Pollution Abatement
  – Plant Capacity
  – Research & Development